

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

- - - - -	X	
	:	
UNITED STATES OF AMERICA	:	<u>INDICTMENT</u>
	:	
v.	:	
	:	21 Cr. <u>439</u> (____)
JOSEPH NEUMANN,	:	
	:	
Defendant.	:	
- - - - -	X	

COUNTS ONE AND TWO

**(Aiding and Assisting Preparation of  
False and Fraudulent U.S. Individual Income Tax Returns)**

The Grand Jury charges:

1. At all times relevant to this Indictment, JOSEPH NEUMANN, the defendant, was a resident of Monsey, New York.

2. JOSEPH NEUMANN, the defendant, filed U.S. Individual Income Tax Returns, Forms 1040 for the tax years 2015 and 2016. From 2015 through 2016 inclusive, NEUMANN received a total of more than \$2.5 million in payments from a pharmacy located in Rockland County, New York for consulting services. NEUMANN reported only a portion of that income on his federal income tax return for 2015 and none on his federal income tax return for 2016.

3. On or about the filing dates set forth below, in the Southern District of New York and elsewhere, JOSEPH NEUMANN, the defendant, willfully and knowingly did aid and assist in,

and procure, counsel, and advise the preparation and presentation under, and in connection with matters arising under, the internal revenue laws of the United States, of a return, affidavit, claim, and other document, to wit, United States Individual Income Tax Returns Forms 1040 and accompanying forms and schedules, which returns were fraudulent and false as to material matters, in that NEUMANN fraudulently caused his tax return preparer to omit income he received on his tax returns, thereby substantially understating his total income as set forth below for the years set forth below:

<u>COUNT</u>	<u>FILING DATE</u>	<u>TAX YEAR</u>	<u>UNREPORTED INCOME</u>	<u>TAX LOSS</u>
ONE	10/1/2016	2015	\$1,268,765	\$368,888
TWO	9/28/2017	2016	\$ 843,332	\$229,632

(Title 26, United States Code, Section 7206(2))

**COUNTS THREE AND FOUR**

**(Failure to File Tax Returns)**

The Grand Jury further charges:

4. The allegations set forth in paragraph 1 are repeated and realleged as if set forth fully herein.

5. JOSEPH NEUMANN, the defendant, failed to file any U.S. Individual Income Tax Returns for the tax years 2017 and 2018 inclusive, despite receiving a total of more than \$1.7 million in income in those years.

6. On or about the dates set forth below, in the Southern District of New York and elsewhere, JOSEPH NEUMANN, the defendant, a person required by Title 26, United States Code, and by regulations made under authority thereof to make returns and supply information, knowingly and willfully failed to make returns and supply information, at the time and times required by law and regulations, to wit, in the years set forth below NEUMANN received taxable income as set forth below but failed to file U.S. Individual Income Tax Returns, Forms 1040, for those years, all as set forth below:

<u>COUNT</u>	<u>TAX YEAR</u>	<u>FILING DEADLINE</u>	<u>UNREPORTED INCOME</u>	<u>TAX LOSS</u>
THREE	2017	4/17/2018	\$ 473,993	\$205,828
FOUR	2018	7/15/2020	\$1,045,575	\$441,694

(Title 26, United States Code, Section 7203)

**COUNT FIVE**

**(Conspiracy to Operate an  
Unlicensed Money Transmitting Business)**

The Grand Jury further charges:

7. The allegations set forth in paragraph 1 are repeated and realleged as if set forth fully herein.

8. From at least in or about September 2014 to in or about August 2016, in the Southern District of New York, and elsewhere, JOSEPH NEUMANN, the defendant, did knowingly and willfully conspire and agree with others to commit an offense

against the United States, specifically, to violate Title 18, United States Code, Section 1960.

9. It was a part and object of the conspiracy that JOSEPH NEUMANN, the defendant, and others did knowingly and willfully conduct, control, manage, supervise, direct, and own all and part of an unlicensed money transmitting business affecting interstate and foreign commerce, specifically NEUMANN agreed with others to transmit approximately \$6 million that he and the others believed to be stolen, using real estate companies and charities under their control, which failed to comply with the money transmitting business registration requirements set forth in federal law and regulations, in violation of Title 18, United States Code, Section 1960.

**Overt Acts**

10. In furtherance of the conspiracy and to effect the illegal object thereof, the following overt acts, among others, were committed in the Southern District of New York, and elsewhere:

a. On or about July 17, 2015, JOSEPH NEUMANN, the defendant, met with others at NEUMANN's residence in Monsey, New York and discussed an arrangement in which NEUMANN would accept cash from a third person (the "Cash Source") and then write a check payable to an entity designated by the Cash Source, all in exchange for a fee of ten percent of the amount

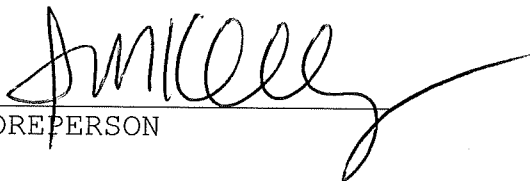
of cash.


b. On or about July 24, 2015, NEUMANN accepted \$15,031 in cash from the Cash Source and gave the Cash Source a check for approximately the same amount.

c. On or about November 3, 2015, NEUMANN accepted \$165,280 in cash from the Cash Source and gave the Cash Source two checks in the total amount of \$150,280 while retaining the difference of \$15,000 as his fee for laundering the cash.

d. On or about December 24, 2015, NEUMANN accepted \$247,500 in cash from the Cash Source and gave the Cash Source two checks in the total amount of \$225,000 while retaining the difference of \$22,500 as his fee for laundering the cash.

(Title 18, United States Code, Section 371.)

  
FOREPERSON

  
AUDREY STRAUSS  
United States Attorney